



CITY COUNCIL STAFF REPORT

MEETING DATE: AUGUST 6, 2014

ADOPTION OF RESOLUTION TO AMEND PROFESSIONAL SERVICES AGREEMENT TO PROVIDE INSPECTION SERVICES FOR PUBLIC WORKS PROJECTS

RECOMMENDED ACTION(S):

Adopt a resolution approving and authorizing the City Manager to execute the second amendment to a professional services agreement with CSG Consultants, Inc. in an amount of an additional \$120,000 to provide inspection services on an as-needed basis for multiple projects.

EXECUTIVE SUMMARY:

On August 22, 2012, the City Council awarded a multi-year Professional Services Contract to CSG Consultants, Inc. for inspection services on Public Works projects in the amount of \$180,000. Last October, the contract amount was increased to \$330,000 to cover the cost of needed inspection services. During the last two years, CSG Consultants has played a critical role in assisting the City's public works inspection team with daily inspection support. This follows the Council's strategy of hiring "contract employees instead of full-time benefitted staff to allow for greater flexibility during periods of peak demand." As of today's date, only \$20,000 remains in the contract to pay for needed inspection services through the term of the contract which is December 31, 2014.

Construction activity for both CIP and land development projects continues to remain high, exceeding the capacity of the Public Works inspection team to adequately inspect all ongoing projects. Inspection services from CSG Consultants, Inc. are vital to ensure that the public improvements being constructed are done so per city standards. Based on the expected amount of construction activity through the term of the current contract, staff recommends amending the contract to increase the amount by \$120,000, thus increasing the total not to exceed amount to \$450,000. The additional contract authority will be used on an as-needed basis to provide supplemental inspection services for both capital improvement projects and land development projects through the term of the contract (December 31, 2014). The contract amendment is attached.

FISCAL/RESOURCE IMPACT:

The cost of the contract inspection services is not to exceed \$450,000. Costs will be charged to individual approved CIP projects and to the Engineering Fund 206 Contract Services line item. There is no budget amendment needed because the additional \$120,000 for the contract amendment is already budgeted in the various CIP projects and the Engineering Fund 206 Contract Services line item (5410.42231).

Agenda Item # 11

Prepared By:


Senior Engineer

Approved By:


Public Works Director

Submitted By:


City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING, AND AUTHORIZING THE CITY MANAGER TO EXECUTE, THAT CERTAIN SECOND AMENDMENT FOR PROFESSIONAL SERVICES AGREEMENT WITH CSG CONSULTANTS, INC. TO PROVIDE INSPECTION SERVICES FOR CERTAIN PUBLIC WORKS PROJECTS

WHEREAS, the City of Morgan Hill, is a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"); and

WHEREAS, the reasons supporting the adoption of this Resolution are set forth in detail in that certain City Council Staff Report entitled "**ADOPTION OF RESOLUTION TO AMEND PROFESSIONAL SERVICES AGREEMENT TO PROVIDE INSPECTION SERVICES FOR PUBLIC WORKS PROJECTS**," submitted for City Council consideration at its meeting of August 6, 2014, and submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council meeting agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public hearing on the adoption of this Resolution at which hearing the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the adoption of this Resolution does not constitute a project under the California Environmental Quality Act; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council does further resolve, order and/or direct as follows:

- a. That the Second Amendment of Professional Services Agreement to Provide Inspection Services for Public Works Projects with CSG Consultants, Inc. as described in the Staff Report, which Amendment is substantially in the form attached hereto as Exhibit A and incorporated herein by this reference (the "Second Amendment") is hereby approved.

- b. That the City Manager is hereby delegated authority to and is authorized and directed to execute the Second Amendment substantially in the form attached hereto as Exhibit A; provided, specifically, that the total amounts to be paid by City under the Amendment shall in no event exceed One Hundred Twenty Thousand Dollars, which would bring the entire Agreement with CSG Consultants, Inc. as amended, to an amount that shall in no event exceed Four Hundred Fifty Thousand Dollars (\$450,000).

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 6th day of August, 2014 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

COUNCIL MEMBERS:
COUNCIL MEMBERS:
COUNCIL MEMBERS:
COUNCIL MEMBERS:

DATE: _____

Steve Tate, MAYOR

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, adopted by the City Council at the meeting held on August 6, 2014.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

Irma Torrez, CITY CLERK

EXHIBIT A

SECOND AMENDMENT TO AGREEMENT CSG CONSULTANTS, INC.

This SECOND AMENDMENT TO AGREEMENT is entered into and becomes effective on _____ (Effective Date), by THE CITY OF MORGAN HILL, a municipal corporation, ("CITY") and, CSG CONSULTANTS, INC., a California Corporation ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Second Amendment to Agreement is entered into based upon City of Morgan Hill City Council approval on _____.
2. The CITY and CONSULTANT entered into that "Consultant Agreement" made as of August 27, 2012, for consultant services for a maximum compensation of \$180,000 ("CONSULTANT AGREEMENT").
3. The CITY and CONSULTANT entered into a "First Amendment to Agreement" made as of October 30, 2013, under which the maximum compensation under the CONSULTANT AGREEMENT, as amended, was increased to \$330,000. The CONSULTANT AGREEMENT, and the First Amendment thereto are attached as Exhibit "A" to this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendments:** All terms and conditions of the CONSULTANT AGREEMENT, as amended, as attached as Exhibit "A," shall remain in full force and effect; except that the following amendments shall be made as set forth below:

A. Paragraph 4.1 shall be amended and replaced in its entirety by the following:

"4.1. Amount. Compensation under this Agreement shall not exceed Four Hundred Fifty Thousand Dollars (\$450,000) and shall be billed based on the rate and basis set forth in Exhibit B of the original agreement.

///

///

///

///

///

///

///

2. **Conflicts.** In the event of a conflict between the terms and provisions of this Second Amendment to Agreement and the terms and provisions of the CONSULTANT AGREEMENT or any earlier amendment, the terms of this Second Amendment to Agreement shall govern and control.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; **AND**
(2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR ASSISTANT TREASURER.

ATTEST:

CITY OF MORGAN HILL

City Clerk
Date: _____

City Manager
Date: _____

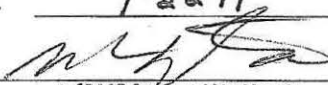
APPROVED AS TO FORM:

CSG CONSULTANTS, INC.

City Attorney
Date: _____

By:  _____
Title: **CYRUS KIANPOUR**
PRESIDENT
Print Name and Title of Signer.
If Corporate: Chairman, President or
Vice President

Date: 7-22-14

By:  _____
Title: **NOURDIN KHAYATA**
SECRETARY
Print Name and Title of Signer.
If Corporate: Secretary, Assistant
Secretary, Chief Financial Officer or
Assistant Treasurer

Date: 7-22-14

EXHIBIT A

FIRST AMENDMENT TO AGREEMENT
CSG CONSULTANTS, INC.FILE on call
1 \$ 150 K

This FIRST AMENDMENT TO AGREEMENT is entered into and becomes effective on 10/30/13 (Effective Date), by THE CITY OF MORGAN HILL, a municipal corporation, ("CITY") and, CSG CONSULTANTS, INC., a California Corporation ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This FIRST Amendment to Agreement is entered into based upon City of Morgan Hill City Council approval on October 16, 2013.
2. The CITY and CONSULTANT entered into that "Consultant Agreement" made as of August 27, 2012, for consultant services for a maximum compensation of \$180,000 ("CONSULTANT AGREEMENT"). The CONSULTANT AGREEMENT is attached as Exhibit "A" to this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. Amendments: All terms and conditions of the CONSULTANT AGREEMENT, as amended, as attached as Exhibit "A," shall remain in full force and effect; except that the following amendments shall be made as set forth below:

A. Paragraph 2 shall be amended and replaced in its entirety by the following:

"2. Term of Agreement. This Agreement shall be effective and cover services rendered from August 27, 2012, until December 31, 2014. The City Manager is authorized to extend the term of this Agreement for a maximum period of one year. Any such extension shall be in writing and signed by both parties to this Agreement."

B. Paragraph 3 shall be amended by adding the following:

"The services to be performed by CONSULTANT shall consist of the following additional services set forth in Exhibit "B":

Providing inspection services for various Capital Improvement Program and Development Projects

C. Paragraph 4.1 shall be amended and replaced in its entirety by the following:

"4.1. Amount. Compensation under this Agreement shall not exceed Three-Hundred-Thirty-Thousand Dollars (\$330,000) and shall be billed based on the rate and basis set forth in Exhibit B.

"4.2 Billing. CONSULTANT shall provide CITY with a monthly invoice containing the dated, detailed, and itemized descriptions of all services performed and expenses incurred (if such expenses are reimbursable pursuant to Exhibit B) by CONSULTANT. Any rate charged shall

be prorated where services are interrupted or not provided for any rate period (for example, any monthly rate charge should be prorated when services were interrupted or provided for only part of the month). For services billed on an hourly rate, the minimum unit of billed time shall not exceed one tenth of one hour. CITY shall pay for services and expenses (if so provided in Exhibit B) up to the limit of compensation set forth above, that in the CITY's judgment were necessary and reasonable. Services for work performed and expenses incurred in excess of the total compensation set forth in paragraph 4.1 above shall be at no cost to CITY."

2. **Conflicts.** In the event of a conflict between the terms and provisions of this FIRST Amendment to Agreement and the terms and provisions of the CONSULTANT AGREEMENT, the terms of this FIRST Amendment to Agreement shall govern and control.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; **AND**
- (2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR ASSISTANT TREASURER.

ATTEST:

for [Signature]
City Clerk
Date: 10/31/13

APPROVED AS TO FORM:

for [Signature]
City Attorney
Date: 10/29/13

CITY OF MORGAN HILL

[Signature]
City Manager
Date: 10/30/13

CSG CONSULTANTS, INC.

By: [Signature]
Title: Cyrus Kianpour, President
Print Name and Title of Signer.
If Corporate: Chairman, President or Vice President

Date: 10-4-13

[Signature]
By:
Title: Nourdin Khayafa, Secretary
Print Name and Title of Signer.
If Corporate: Secretary, Assistant Secretary, Chief Financial Officer or Assistant Treasurer

Date: 10-4-13

EXHIBIT A

CONSULTANT AGREEMENT
CSG CONSULTANTS, INC.

THIS AGREEMENT is entered into and becomes effective on 8-27-12 (Effective Date), by and between the CITY OF MORGAN HILL, a municipal corporation, ("CITY"), and CSG CONSULTANTS, INC. a California, corporation ("CONSULTANT") hereinafter referred to collectively as "Parties." In consideration of the promises and the mutual covenants contained in this Agreement, the Parties agree as follows:

1. **City Authority.** This Agreement is entered into pursuant to action of the Morgan Hill City Council taken on August 22, 2012.
2. **Term of Agreement.** This Agreement shall cover services rendered from the Effective Date of this Agreement until December 31, 2014 at which time CONSULTANT'S services shall be completed. The City Manager is authorized to extend the term of this Agreement for a maximum period of one year. Any such extension shall be in writing and signed by both Parties to this Agreement.
3. **Scope of Service.** The services to be performed by CONSULTANT shall be providing inspection services for various Capital Improvement Program and Development Projects as further described in Exhibit A.
4. **Compensation.** CONSULTANT shall be compensated as follows:
 - 4.1. **Amount.** \$180,000.00. Total compensation under this Agreement shall not exceed One Hundred Eighty Thousand dollars and shall be billed based on the rate and basis set forth in Exhibit B.
 - 4.2. **Billing.** CONSULTANT shall provide CITY with a monthly invoice containing the dated, detailed, and itemized descriptions of all services performed and expenses incurred (if such expenses are reimbursable pursuant to Exhibit B) by CONSULTANT. Any rate charged shall be prorated where services are interrupted or not provided for any rate period (for example, any monthly rate charge should be prorated when services were interrupted or provided for only part of the month). For services billed on an hourly rate, the minimum unit of billed time shall not exceed one tenth of one hour. CITY shall pay for services and expenses (if so provided in Exhibit B) up to the limit of compensation set forth above, that in the CITY's judgment were necessary and reasonable.
5. **Termination.** CITY or CONSULTANT shall have the right to terminate this Agreement, without cause, by giving thirty (30) days' written notice or less under urgent circumstances. Upon such termination, CONSULTANT shall submit to CITY an itemized statement of services performed for which compensation has not been paid. CITY may require CONSULTANT to complete certain work product or documents and CONSULTANT shall deliver to CITY all documents in its possession without additional compensation to CONSULTANT.
6. **Performance of Work.** CONSULTANT represents that it is qualified by virtue of experience, training, education, and expertise to accomplish these services. Services shall be performed by CONSULTANT in accordance with professional practices in a manner consistent with a level of care, competence and skill exercised by qualified members of the CONSULTANT'S profession. By delivery of completed work, CONSULTANT certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws.

7. **Insurance Requirements.**

7.1. **Commencement of Work.** CONSULTANT shall not commence work under this Agreement until it has obtained CITY approved insurance. For general liability insurance policies, CONSULTANT shall provide CITY, prior to commencement of work, with a separate endorsement which states that the policy contains the following language:

- The CITY, its elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers are named as additional insureds; and,
- the insurer waives the right of subrogation against CITY and CITY'S elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers; and,
- insurance shall be primary non-contributing.

CONSULTANT shall furnish CITY with copies of all policies or certificates subject to this Agreement, whether new or modified, promptly upon receipt. No policy subject to this Agreement shall be canceled or materially changed except after thirty (30) days' notice by the insurer to CITY.

7.2. **Workers' Compensation Insurance.** CONSULTANT and all subcontractors shall maintain Workers' Compensation Insurance, as required by law.

7.3. **Insurance Types and Amounts.** CONSULTANT shall maintain comprehensive general liability insurance; professional errors and omissions liability insurance; and automobile insurance each with policy limits of at least \$1,000,000 per occurrence for general liability, \$1,000,000 per accident for automobile liability and \$1,000,000 per claim for professional errors or omissions.

7.4. **Acceptability of Insurers.** All insurance required by this Agreement shall be carried only by responsible insurance companies licensed and admitted, or otherwise legally authorized to carry out insurance business, in California with a current A.M. Best's rating of no less than A:VII.

8. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable for any default or liability under this Agreement.

9. **Compliance with Law.** CONSULTANT and its officers, employees, agents, and subcontractors shall comply with all applicable laws, ordinances, administrative regulations, and permitting requirements in carrying out their obligations under this Agreement. CONSULTANT and its officers, employees, agents, and subcontractors covenant there shall be no discrimination based upon race, color, creed, religion, gender, marital status, age, sexual orientation, national origin, mental disability, physical disability, medical condition, or ancestry, in any activity pursuant to this Agreement.

10. **Independent Contractor.** CONSULTANT is an independent contractor and not an agent or employee of CITY.

11. **Confidentiality.** All data, documents, or other information received by CONSULTANT from CITY or prepared in connection with CONSULTANT'S services under this Agreement are deemed confidential and shall not be disclosed to any third party by CONSULTANT without prior written consent by CITY.

12. **Conflict of Interest and Reporting.** CONSULTANT shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

13. **Notices.** All notices shall be personally delivered or mailed, via first class mail to the below listed address. These addresses shall be used for delivery of service of process. Notices shall be effective five (5) days after date of mailing, or upon date of personal delivery.

Address of CONSULTANT is as follows:

CSG CONSULTANTS, INC.
1700 South Amphlett Boulevard - 3rd Floor
San Mateo, CA 94003

Address of CITY is as follows:

Yat Cho	with a copy to:
City of Morgan Hill	City Clerk
17575 Peak Avenue	City of Morgan Hill
Morgan Hill, CA 95037	17575 Peak Avenue
	Morgan Hill, CA 95037

14. **Licenses, Permits and Fees.** CONSULTANT shall obtain a City of Morgan Hill Business License, all permits and licenses to the extent required by ordinances, codes and regulations of the federal, state and local government.

15. **Maintenance of Records.**

15.1. **Maintenance.** CONSULTANT shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and CITY rules and ordinances related to services provided under this Agreement. CONSULTANT shall maintain records for a period of at least 3 years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the 3 year period, then CONSULTANT shall retain said records until such action is resolved.

15.2. **Access to and Audit of Records.** The CITY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONSULTANT and its subcontractors related to services under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the Parties to this Agreement may be subject, at the request of the CITY or as part of any audit of the CITY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

15.3. **Ownership of Work Product.** All documents or other information developed or received by CONSULTANT for work performed under this Agreement shall be the property of CITY. CONSULTANT shall provide CITY with copies of these items upon demand or upon termination of this Agreement.

16. **Familiarity with Work.** By executing this Agreement, CONSULTANT represents that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the difficulties and restrictions of the work under this Agreement. Should CONSULTANT discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at CONSULTANT'S risk, until written instructions are received from CITY.

17. **Time of Essence** Time is of the essence in the performance of this Agreement.

18. **No Assignment** Neither this Agreement nor any portion shall be assigned by CONSULTANT, without prior written consent of CITY.

19. **Attorney Fees** In any legal action, dispute or arbitration arising out of or relating to this Agreement, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs and expenses incurred.

20. **Defense and Indemnification.**

20.1. **Defense and Indemnification.** CONSULTANT shall, to the fullest extent permitted by law, indemnify, defend and hold harmless CITY, its elected or appointed officials, boards, agencies, officers, agents, employees, and volunteers ("INDEMNITEES") from and against any and all claims, liabilities, expenses, liens, or damages of any nature, including liability for bodily injury, property damage or personal injury, and including reasonable attorneys' fees and expenses, that arise out of, pertain to, or relate to the performance of this Agreement or the failure to comply with any obligations contained in this Agreement by CONSULTANT, and/or its agents, officers, employees, subcontractors, or independent contractors ("CLAIM").

20.2. **Exceptions.** CONSULTANT is not required to indemnify INDEMNITEES against liability for bodily injury, property damage or personal injury, or any other loss, damage or expense arising from the sole negligence or willful misconduct of the CITY.

20.3. **Not limited by insurance.** The indemnity, defense and hold harmless provisions of this Agreement apply to all CLAIMS alleged against an INDEMNITEE, regardless of whether any insurance policies are applicable. Policy limits do not act as a limitation upon the amount of indemnification or defense to be provided by CONSULTANT.

20.4. **Right to Offset.** CITY shall have the right to offset against any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Section (20) and any amount due CITY from CONSULTANT arising from CONSULTANT's failure either to (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

20.5. **Interpretation.** This Section shall constitute an agreement or contract of indemnity, incorporating the interpretations under California Civil Code Section 2778. It is expressly understood and agreed that the obligation of the CONSULTANT to indemnify the INDEMNITEE shall be as broad and inclusive as permitted by the laws of the State of California and shall survive termination of this Agreement.

21. **Modification**. This Agreement constitutes the entire Agreement between the Parties and supersedes any previous agreements, oral or written. This Agreement may be modified or provisions waived only by subsequent mutual written Agreement executed by CITY and CONSULTANT.

22. **Governing Law and Venue**. This Agreement shall be construed in accordance with the laws of the State of California. This Agreement was entered into and is to be performed in the County of Santa Clara. Any action or dispute arising out of this Agreement shall only be brought in Santa Clara County.

23. **Interpretation**. This Agreement is a negotiated document and shall be deemed to have been drafted jointly by the Parties, and no rule of construction or interpretation shall apply against any particular Party based on a contention that the Agreement was drafted by one of the Parties including, but not limited to, California Civil Code § 1654, the provisions of which are hereby waived. This Agreement shall be construed and interpreted in a neutral manner.

24. **Preservation of Agreement**. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected or invalidated.

//

//

//

//

//

//

//

//

//

25. **Authority to Execute** Those individuals who are signing this Agreement on behalf of entities represent and warrant that they are, respectively, duly authorized to sign on behalf of the entities and to bind the entities fully to each and all of the obligations set forth in this Agreement.


IN WITNESS THEREOF, these Parties have executed this Agreement on the day and year shown below.

AS SET FORTH IN CA CORP CODE § 313, TWO SIGNATURES ARE REQUIRED FOR CALIFORNIA CORPORATIONS:

(1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND

(2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER OR ASSISTANT TREASURER

ATTEST:



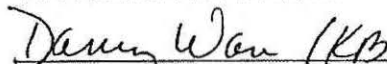
City Clerk/Deputy City Clerk

Michelle Wilson

Print Name

Date: 8/29/12

APPROVED AS TO FORM:



City Attorney

Danny Wan

Print Name

Date: 8/27/12

CITY OF MORGAN HILL



City Manager

Leslie A. Little

Print Name

Date: 8/27/12

CSG CONSULTANTS, INC.



By:

Title: CYRUS K. ZANGPOUR, P.E., PLS - PRESIDENT
Print Name and Title of Signer.

If Corporate: Chairman, President or
Vice President

Date: 8/13/2012



By:

Title: NOURDIN KHAYATA - SECRETARY
Print Name and Title of Signer.

If Corporate: Secretary, Assistant
Secretary, Chief Financial Officer or
Assistant Treasurer

Date: 8/13/2012

**EXHIBIT A
SCOPE OF SERVICES**

SEE ATTACHED

ADDITIONAL INFORMATION

Project Understanding

CSG has a number of experienced construction management and inspection professionals ready to perform the work requested by the City of Morgan Hill. Our staff includes Resident Engineers, Assistant Resident Engineers, Inspectors and Office Engineers, many of which are trained in more than one area and can perform dual duties on smaller projects, thereby eliminating the need for a team.

SCOPE OF WORK

CSG is dedicated to providing quality construction inspection services that will meet the City's needs. Based upon our past experience in defining successful roles and staffing responsibilities, the following represents typical duties under an on-call construction inspection scope of work.

Construction Inspection: The Inspector shall report to the Construction Manager and shall be responsible for observing, measuring and documenting the contractor's operations. Typical duties to be performed by the inspector may include:

- Fully understanding the requirements in the plans and specifications and maintaining an open dialog with the construction manager for clarifications as necessary
- Monitoring and coordinating operations with the contractor so that critical operations are observed
- Bringing unacceptable work or material to the attention of the contractor and if not resolved promptly, bringing the situation to the construction manager for resolution
- Issuing and following up on field orders and referring matters to the construction manager for interpretation and settlement if disputed
- Maintaining complete, up to date and accurate diaries and photo logs that reflect: weather conditions; contractor (and subcontractor) forces and equipment utilized; compliance with contract documents; work completed including the location, quantity and methods; testing results; communications with the contractor including instructions, suggestions and requests; instructions from the engineer; communications with the public or other agencies
- Reviewing construction staking
- Reviewing, measuring and calculating quantities for progress payments

CSG'S APPROACH

The key to a project's success is often in understanding the process from which the issues will arise. Over the years, CSG staff has been involved in hundreds of projects sponsored or reviewed by the public agencies we represent. We have learned that the following issues and guidelines are important to consider when undertaking any public works construction project.

- Understanding of the project and the agencies primary goals and objectives
- Identification of stakeholders and stakeholder's concerns
- Compliance with CEQA (and NEPA if required) procedures and mitigation
- Compliance with NPDES requirements and Best Management Practices
- Understanding financial constraints/opportunities and resource allocation
- Public participation and notification
- Coordination with utility companies and permitting agencies/Caltrans
- Coordination with agency staff
- Realistic cost estimates with contingencies matched to each work phase
- Practical schedules and appropriate milestones with continuous monitoring

Project Staffing

CSG Consultants has the experience level of staffing necessary to provide the County with construction management and inspection resources for either a small or large scale project. Having grown from a staff of 70 to over 140 employees in the past 5 years, we have 5 offices throughout the state that serve over 80 municipalities. The CSG staff that we propose under this contract, along with references for each resource follows within this section. Please refer to the Appendix of this proposal for projected staff resumes.

John Pipkin | CONSTRUCTION INSPECTOR

Mr. Pipkin has over 25 years of experience as a superintendant and inspector on various public works projects. He has performed inspection services for the City on the Butterfield Blvd. South Extension and West Main Water Main Replacement Projects. His past inspection projects have included channel widening, recycled water pipeline excavation and installation, roadway, and underground pipeline projects.

REFERENCES

CITY OF MONTEREY: Hans Uslar | *Director of Public Works* | (831) 646-3920
Project: *Del Monte & Figueroa Signal Improvements, Monterey Street Reconstruction*

MORGAN HILL: Nilesh S Pandya P.E., | *Resident Engineer* | Caltrans (408) 232-0224
Ms. Julie Behzad, P.E. | *Senior Civil Engineer* | Morgan Hill, CA (408) 776-7337

Saied Mostafavi | CONSTRUCTION INSPECTOR

Mr. Mostafavi has over 20 years of experience as an engineer, construction manager and inspector on various public works projects. Inspection project efforts have included roadway resurfacing, and underground pipeline projects.

REFERENCES

CITY OF BURLINGAME: Syed Murtuza | *Director of Public Works* | (650) 558-7230
Project: *2008 Street Micro-Surfacing Project*, Inspector on street resurfacing project.

CITY OF PACIFICA: Van Ocampo | *City Engineer* | (650) 738-3767
Project: *Palmetto Pavement Rehabilitation Project*, Inspector and project manager on project consisting of AC paving, concrete repair, dig outs, drainage improvements and striping.

Naser Moinpour | ASSISTANT RESIDENT ENGINEER AND INSPECTOR

Mr. Moinpour has over 25 years of experience in public works projects. Naser's experience includes performing inspection services on the Tennant Ave. Overcrossing Project. Naser is very familiar with working on development projects as well as public works and knows the Caltrans Local Assistance Procedure Manual very well. Mr. Moinpour has performed both inspection as well as office engineering services. Naser is very experienced in dealing with contractor's personnel and is assertive in enforcing the plans and specifications. He is very detail oriented and has excellent public relation skills. Having worked on many projects in residential areas as well as busy streets granted him the experience of working with businesses, and residents to ensure that coordination is implemented and minimum impact is exerted.

REFERENCES

MORGAN HILL: Nilesh S Pandya P.E., | *Resident Engineer* | Caltrans (408) 232-0224
Ms. Julie Behzad, P.E. | *Senior Civil Engineer* | Morgan Hill, CA (408) 776-7337
CITY OF MARINA: Craig Oliver | *Chief Building Official* | City of Marina (831) 884-1214

Lynette Rotairo, P.E. | ASSISTANT RESIDENT ENGINEER

Ms. Rotairo has been with CSG for seven years working mainly in the Construction Management Division as an Assistant/Associate Engineer. She provided services as an assistant resident engineer on the Tennant Ave. Overcrossing Project. She has served as Assistant Resident Engineer on Caltrans oversight projects and is very familiar with Caltrans best practices and procedures.

REFERENCES

CITY OF MORGAN HILL: Julie Behzad | *Senior Engineer* | (408) 778-7337

- Familiarity with applicable local codes, standards, and plans
- Partnership approach with public, designers, contractors and environmentalists
- Continuous coordination and communication with all stakeholders and policy makers
- Weekly/bi-monthly meetings between the CSG project manager, contractor and agency staff to monitor progress
- Timely documentation and project reporting, including the use of collaborative software

UNIQUE Qualifications

When called upon, CSG inspection staff has repeatedly demonstrated their ability to perform at a high level, regardless of the project type. Over the last year, CSG has provided construction inspection services for the Butterfield Blvd. South Extension Project and the West Main Ave. Water Main Replacement Project. CSG has also recently completed construction management and inspection services on the Tennant Ave. Overcrossing Project for the City. These projects have included a broad scope of construction methods and disciplines.

CSG is uniquely qualified to continue provided on-call construction inspection services due to our expertise with all types of construction projects, our track record of providing a high level of service on past and current projects, and our knowledge of the City's specifications, plans, requirements and working procedures.

It is our understanding that the City will soon start construction on Phase 2A of the truck sewer replacement project on California Avenue, between Monterey Rd. and Harding Ave. CSG inspectors are experienced with truck sewer replacement projects, having performed these services on both Phase I and Phase II for the City of South San Francisco's Wet Weather Program and the Town of Hillsborough's Crystal Springs Rd. /El Cerrito Ave. Truck Sewer Improvement Project. We will apply the knowledge and expertise that we have acquired towards insuring the successful completion of this project in the future.

CSG is also capable of providing construction inspection services on federally funded projects. Our inspectors have worked on federally funding projects and are familiar with the documentation requirements and inspection standards.

CSG's inspection staff has worked on all types of infrastructure projects including transportation, underground utilities and facilities. CSG staff can work on a full-time or part-time basis; on routine assignments such as encroachment permit inspection or on a specific project that may require a project manager and inspector team.

In addition to having a wealth of knowledge in the area of construction management, many of our staff have worked directly for public agencies prior to joining CSG and bring first-hand knowledge of jurisdictional needs and concerns. All proposed staff have state and federally funded project experience and therefore familiar with the Local Assistance Procedure Manual.

CONTRACT MANAGEMENT FILING SYSTEM (CMFS)

CSG has developed an online Construction Management Filing System to assist with the storing and sharing of project information that can be used, if desired, on larger projects at no additional cost. The CM program tracks all coordination areas of the project to ensure that items are resolved in a timely manner.

This system is based on Caltrans' Local Assistance Procedures Manual and can be customized to include additional documents, as needed. The system has received great feedback from our clients as it allows project managers to access project information through the web; including such information as submittals, RFI status, CCO status and project expenditures, daily reports, and pictures.

EXHIBIT B
SCHEDULE OF COMPENSATION RATES

SEE ATTACHED

EXHIBIT B

Consultant Fee

Services are billed on a time and materials basis. CSG will continue to honor the discounted rates provided to the City under the previous contract. A 5% rate increase will be implemented at the beginning of each fiscal year.

Staff	Position	As needed Inspection Services per hour	Retainer for 6 months per hour
Naser Moinpour	Inspector	\$110	\$100
Saeid Mostafavi	Inspector	\$110	\$100
Lynette Rotario	Assistant Resident Engineer	\$110	\$100
Sydney Chow	Assistant Resident Engineer/ OE	\$110	\$100
John Pipkin	Inspector	\$110	\$100
Ramon Bernardo	Inspector	\$110	\$100
Daniel Gonzales	Assistant Resident Engineer	\$110	\$100

Inspection Services	Rate (per hour)
Inspection for Compaction	\$100
A/C Placement	\$100
Steel Inspection	\$100
Concrete Inspection	\$100
Welding Inspection	\$200

Rates reflect and include administrative costs and routine expenses such as local mileage, copying, fax, telephone, mail, in-house printing, software, and computer usage, etc. Reproduction and sub consultants are billed at cost plus 15%.

CSG's Inspection and Construction Management Services are available for overtime at time and one-half compensation; holidays and Sundays at double time compensation; differential pay for night work to be negotiated.

THIS PAGE LEFT BLANK INTENTIONALLY